January 13, 2005

Publication 1346 Part I – File Specification Changes #8

The changes are identified by two vertical bars in the right margin (||).
Deletions are identified by a hyphen followed by two vertical bars (-||).

PATS Testing – All changes will be implemented nationwide January 19, 2005.

ERC 0077   Deleted second paragraph

ERC 0104   Deleted

ERC 0296   Deleted Qualified Expenses (Seq 0215 and 0225)

ERC 1300   Deleted

ERC 1301   Deleted

ERC 1302   Deleted

ERC 1304   Deleted

Part 1 – File Specification, Section 3, Acknowledgement File Format
        Subsection 1, Acknowledgement file components, Toll-free number
        was corrected in Item 25(d)

Attachment 9 – Social Security/Taxpayer Identification Numbers
        Valid Ranges for Social Security Numbers (SSN) was revised

ERROR REJECT CODE (ERC) CROSS REFERENCES

ERC   **DESCRIPTION**

0077 o Form 1040/1040A - If Total Ordinary Dividends (SEQ 0394) is
        greater than $1,500, or if Total Ordinary Dividends (SEQ 0525)
        of Schedule B/Schedule 1 is significant, then Total Ordinary
        Dividends (SEQ 0394) of Form 1040/1040A must equal Total
        Ordinary Dividends (SEQ 0525) from Schedule B/Schedule 1.   -||
                                                                             -||
                                                                             -||
                                                                             -||
                                                                             -||
                                                                             -||
                                                                             -||
                                                                             -||

0104 o RESERVED   -||

0296 o Form 2441/Schedule 2 - If any field of the following
        "qualifying person group" is significant, then all fields in
        that group must be significant: Qualifying Person First Name
        (SEQ 0110, 0217); Qualifying Person Last Name (SEQ 0115, 0218);
        Qualifying Person Name Control (SEQ 0120, 0221); Qualifying
        Person SSN (SEQ 0214, 0223).   -||

1300 o RESERVED   -||

1301 o RESERVED   -||

1302 o RESERVED   -||

1304 o RESERVED   -||

.01 Acknowledgement File Components continued

19. The "3" in the PIN Presence Indicator field means that taxpayer PIN
     is present and was entered using the Self-Select PIN method by
     Online.

20. The "4" in the PIN Presence Indicator field means that a State-Only
     return was filed.

     NOTE: **Taxpayer PIN cannot be used with State-Only returns and** |
     Form 8453 or 8453-OL is NOT required. |

21. A "(blank)" in the PIN Presence Indicator means that a return with
     a PIN was rejected.

22. The "R" in the Reserved IP Address Code field of the ACK Key Record
     indicates that a reserved IP address is present for this return.

23. Up to 96 ACK Error Record(s) may be furnished to the electronic filer,
     one for each four-position Error Reject Code. Filers should use these
     Error Reject Codes to determine the source of the error causing the
     return (or transmission) to be rejected. If more than the maximum
     number of reject conditions are identified, the last reject code will
     be "0999".

24. The Error Reject Codes and references to validation criteria related
     to the error conditions are listed in Attachment 1. Filers should
     use this information to resolve reject conditions. When a condition
     cannot be resolved with the information provided, the filer should
     contact the Electronic Filing Unit at the applicable submission
     processing center for assistance.

25. A "Y" in the EIC Indicator Field Description on the ACK Key Record
     indicates:

     a. The taxpayers identified on this return have been selected for
         the Service's EIC Residency Certification Test.

     b. These taxpayers are required to submit Form 8836, Qualifying
         Children Residency Statement and related documents to:

             Internal Revenue Service
             Stop 4300, Annex R-2
             Kansas City, MO 64999-0065 or

             Fax form and documentation to: (913) 266-9640

     c. The EIC portion of the refund will be held until the EIC
         Residency test is verified.

     d. If you have questions or need help, please call our special
         toll free number at 1-800-**829**-**6088**. ||

26. A "blank" in the EIC Indicator Field Description on the ACK Key
     Record indicates these taxpayers were not selected for the Service's
     EIC Residency Certification Test.

ATTACHMENT 9

SOCIAL SECURITY/TAXPAYER IDENTIFICATION NUMBERS

Social Security/Taxpayer Identification Numbers are broken down as follows:

<u>1 2 3</u>   -   <u>4 5</u>   -   <u>6 7 8 9</u>

Area   -   Group   -   Serial

Valid Ranges for Social Security Number (SSN):

001-01-0001 through **695**-99-9999, ||

700-01-0001 through 733-99-9999,

750-01-0001 through 763-99-9999.

764-01-0001 through 899-99-9999.

When the SSN "Group" contains zeros, the SSN is a test SSN and the return will be rejected.

When the SSN "Serial" contains all zeros, the return will be rejected.

Valid Range for Individual Taxpayer Identification Number (ITIN):

900-70-0000 through 999-80-9999

The valid range for the ITIN "Area" is 900 through 999.
The valid range for the ITIN "Group" is 70 through 80.
The valid range for the ITIN "Serial" is 0000 through 9999.

An ITIN is a nine-digit number assigned by the Internal Revenue Service to taxpayers who are not eligible to obtain an SSN. It is used for tax purposes only.

Valid Range for Adoption Taxpayer Identification Number (ATIN):

900-93-0000 through 999-93-9999

The valid range for the ATIN "Area" is 900 through 999.
The valid ATIN "Group" is 93.
The valid range for the ATIN "Serial" is 0000 through 9999.

An ATIN is a temporary nine-digit number issued by the Internal Revenue Service for an adoptive child. It is provided to individuals who are in the process of legally adopting a U.S. citizen or resident child and who are not eligible to obtain an SSN for that child in time to file their tax return.